



# Purchasing Policy Revision

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Item #170116

July 6, 2017

# Why a change?

1. Policy language needs updating
2. Improve operational efficiencies
3. Address fiscal impact of preferences

# 1. Policy language update

- Definitions
- Straightforward language
- Clarify “cone of silence” and “lobbying”
- Purchasing vs. Procurement

## 2. Improve operational efficiencies

- Align with GRU and City initiatives
- Threshold for competitive bidding
- Threshold for agenda items

# Policy History

Resolution #	Date	Quote Threshold	Quotes Required	City Comm Approval
R-86-60	9/28/1986	\$500	3	\$25,000
951467	4/22/1996	\$2,000	2	\$25,000
060732	12/11/2006	\$2,000	2	\$50,000
150616	1/16/2016	\$2,000	3*	\$50,000
<b>PROPOSED CHANGE</b>	<b>2017</b>	<b>\$5,000</b>	<b>3*</b>	<b>\$100,000</b>
* 1 from SBE or SDVE				

# Peers

Entity	Quote Threshold	Approval
Alachua County	\$2,500	\$50,000
City of Jacksonville	\$2,500	\$65,000
City of Lakeland	\$1,500	\$50,000
City of Ocala	\$5,000	\$50,000
City of Orlando	\$5,000	\$100,000
City of Tallahassee	\$1,000	\$250,000
City of Tampa	\$2,000	\$100,000
Jacksonville Electric Authority (JEA)	\$5,000	\$200,000
Kissimmee Utility Authority (KUA)	\$2,000	\$100,000
Orlando Utilities Commission (OUC)	\$5,000	\$100,000
Santa Fe College	\$5,000	\$325,000
St Johns River Water Mgmt	\$10,000	\$100,000
University of Florida	\$5,000	\$100,000

# 3. Preference in bidding & fiscal impact

- Local Preference Ordinance
  - All solicitations > \$50,000
  - 5% of points
  - Monetary cap of \$25,000 in bids
  - Business in City limits
- Small Business Preference
  - Evaluation based solicitations >\$50,000
  - 5% of points
  - **No monetary cap**
  - Small business definitions for GRU and City

GENERAL CONTRACTOR FOR THE MURPHREE WATER TREATMENT PLANT ELECTRICAL UPGRADE

ITB 2016-090

	Price	Experience	Project Approach	Safety	Local Preference	SBE/SDVE	Total Score
Maximum Points	(60 pts)	(15 pts)	(10 pts)	(5 pts)	(5 pts)	(5 pts)	(100 pts)
Ortega Industrial Contractors, Inc.*	58.8 (\$7,937,885)	14.1	8.7	4.5	0.0	0.0	86.1
Petticoat-Schmitt Civil Contractors, Inc.	60.0 (\$7,773,690)	13.0	6.8	4.8	0.0	0.0	84.6
BBI Construction Management, Inc.	52.5 (\$8,877,000)	11.3	4.6	5.0	5.0	5.0	83.4

Northern Electric, Inc.\*\*  
Shine and Company, Inc.\*\*  
Sawcross, Inc.\*\*  
De Scorpio Corporation \*\*

\*Recommend Award  
\*\* Non Submittal

All Proposals are on file in Utilities Purchasing and available for inspection.

Prepared by: 

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Senior Buyer



# Surplus Sales, Donations

- No change: competitive process >\$10,000
- Increase authorization of City Manager & General Manager to sell surplus from \$25,000 to \$50,000
- Increase authorization of City Manager & General Manager to donate surplus to government agency from \$7,500 to \$10,000

# Surplus History

Resolution #	Date		Surplus CCA	Govt Agency Donation
R-86-60	9/28/1986		\$10,000	\$5,000
951467	4/22/1996		\$25,000	\$7,500
060732	12/11/2006		\$25,000	\$7,500
150616	1/16/2016		\$25,000	\$7,500
<b>PROPOSED CHANGE</b>	<b>2017</b>		<b>\$50,000</b>	<b>\$10,000</b>

# Summary of Proposed Changes

- Update definitions and terminology
- Update thresholds to improve efficiencies
- Increased support of small businesses
- Apply sound business practices

# RECOMMENDATION

The City Commission:

- 1) adopt the proposed Resolution; and
- 2) direct Purchasing staff to update the corresponding procedures associated with these policy changes.